



**U.S. Department of Justice
U.S. Attorney's Office
Western District of Texas**

Johnny Sutton, U.S. Attorney

FOR IMMEDIATE RELEASE

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October 19, 2004

EL PASO COMPANY, MANAGERS PLEAD GUILTY IN FRAUD SCHEME

United States Attorney Johnny Sutton announced that Villafam Contracting Services, LLC, an environmental services company, and a manager of the company, Denise Villa-Aceves, pled guilty this afternoon to Conspiracy to Commit Mail Fraud and Misprision of a Felony, respectively. Co-defendant, Hector Villa pled guilty to Conspiracy to Commit Mail Fraud on October 7, 2004.

Had the case proceeded to trial, the government was prepared to prove that Villafam, 45-year-old Hector Villa and his sister, 35-year-old Denise Villa-Aceves devised and implemented a scheme to fraudulently collect money from the City of El Paso with respect to the collection and disposal of household hazardous waste material. The defendants submitted fraudulent invoices to the city which inflated the amount of hazardous waste collected and disposed of by the company. The defendants overbilled the city by an estimated \$391,393.07.

Villa faces up to five years in federal prison, a \$250,000.00 fine and \$685,410.35 in restitution. Villa-Aceves faces up to three years in federal prison and a \$250,000 fine. Villafam Contracting Services, LLC. is subject to \$500,000.00 in fines. The government is seeking the forfeiture of proceeds derived from the defendants' fraudulent scheme including company assets and a monetary judgement of \$391,393.07. Sentencing for Villa-Aceves and Villafam is set for January 11, 2005; Villa, on January 4, 2005.

This case is being investigated by the Federal Bureau of Investigation and Environmental Protection Agency together with the El Paso County Sheriff's Office. Assistant United States Attorney William Lewis, Jr., is prosecuting this case on behalf of the government.